

Minutes of the
RURAL HEALTH ADVISORY COMMISSION

Friday, November 12, 2010
1:30 p.m. to 4:00 p.m.

NE DHHS – 220 Bldg., Conference Room LL-A
220 S. 17th; Lincoln, Nebraska

Members Present: Scot Adams, Ph.D., Kathy Boswell, Marty Fattig, Zach Frey, D.O., Mark Goodman, M.D., Shawn Kralik, D.D.S., Peggy Rogers, Rebecca Schroeder, Ph.D., Sharon Vandegrift, R.N., Roger Wells, P.A.– C.

Members Absent: Doug Dilly, M.D., Jackie Miller, Mike Sitorius, M.D.,

Office of Rural Health Staff Present: Dennis Berens, Marlene Janssen, Tom Rauner, Deb Stoltenberg

Guests: Sue Medinger and Roxanne Rediger, NE Department of Health and Human Services, Steve Steinkueller, Bryan LGH, Senator Kent Rogert, District 16, Dr. Don Frey, Creighton University College of Medicine.

**1. Call Meeting to Order; Open Meetings Act & Agenda Posted; Adopt Agenda;
Approve Minutes of September 15, 2010, Meeting; Introduce Members and Guests**

Dr. Rebecca Schroeder, Chair, called the meeting to order at 1:37 p.m. She announced that the Open Meetings Act and agenda were posted by the door.

Dr. Schroeder asked if there were any corrections or additions to the agenda. Marlene Janssen requested that 2 items be added to Item 8, Other Business, (a) Program 175 Annual Report and (b) Primary Care Office Report.

Dr. Mark Goodman moved to approve the agenda with the additions of 8a and 8b. Dr. Shawn Kralik seconded the motion. Motion carried. YES: Adams, Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Dilly, Miller, and Sitorius.

Mr. Marty Fattig moved to approve the minutes of the September 15, 2010, meeting. Roger Wells seconded the motion. Motion carried. YES: Adams, Boswell, Fattig, Frey, Goodman,

Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Dilly, Miller, and Sitorius.

Guests, members, and staff introduced themselves.

2. Administrative Items

- Nominations for Chair and Vice Chair

Mr. Fattig moved to elect Dr. Rebecca Schroeder for chair and Dr. Doug Dilly for vice-chair by acclamation. Roger Wells seconded the motion. Motion carried. YES: Adams, Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Dilly, Miller, and Sitorius.

- 2011 Meeting Dates

After some discussion the Rural Health Advisory Commission (RHAC) set the following meeting dates for 2011:

Friday, February 25, 2011, 1:30 p.m. in Lincoln, NE

Friday, June 17, 2011, 1:30 p.m. in Lincoln, NE (with student loan interviews to be held in the morning)

September – date, time, and place pending final dates of the Nebraska Rural Health Conference

Friday, November 18, 2011, 1:30 p.m. in Lincoln, NE

3. Reports

- Policy Committee

Mr. Fattig reported on the federal regulation concerning physician supervision. The Center for Medicare and Medicaid Services (CMS) rule is that a physician must be physically present when therapeutic care is being administered. This rule, according to Mr. Fattig, is unworkable in Critical Access Hospitals (CAH) and rural areas and many rural providers and health care facilities nationally have been working with CMS to clarify this rule. Mr. Fattig reported that he did receive a letter sent to the Nebraska Hospital Association from CMS. This letter basically states CMS delayed the physician supervision for therapeutic care for rural hospitals/outpatient facilities and redefined “readily available.”

Mr. Fattig reported that, unless something changes, Medicare payments to physicians will be decreased by 23 percent as of December 1, 2010 and an additional 2 percent cut effective January 1, 2011. Mr. Fattig stated that rumor has it this will get fixed at least temporarily. Roger Wells stated that the consequences of not fixing Medicare payments is that physicians will refuse Medicare assignment and patients will have to pay out-of-pocket for medical expenses. Peggy Rogers added that nursing homes do a lot of rehabilitation services so they also depend on Medicare for reimbursement.

Mr. Fattig identified a number of concerns with the Affordable Health Care Act that need to be

addressed, such as, workforce, payments, and transparency. In addition, if insurance companies are required to insure everyone then medical insurance costs will rise.

Mr. Fattig reported on using Electronic Health Records (EHR) system in a meaningful way; “Meaningful Use.” “Meaningful Use” is not a part of the health reform legislation. Congress provided a large sum of money for healthcare facilities to install and maintain electronic health records systems. In order to receive this funding, the facility must demonstrate that the EHR is being used in a meaningful way and it must be a certified system.

- Legislative Update

Mr. Fattig reported that the State of Nebraska is facing a \$3B shortfall in the next biennium. In the past week, 10 hospital CEOs from across the state were called to the Capital to meet with Governor Heinemann to discuss how we are going to make this health care reform legislation work in Nebraska. Mr. Fattig stated that Governor Heinemann is opposed to the health care reform act and the costs of this act to the state.

Mr. Fattig reported that there are a number of legislative studies going on including one on physician-owned hospitals. Workforce issues are always a concern. Mr. Fattig stated he personally has been working with Peru State College and the University of Nebraska Medical Center to develop a Rural Health Opportunities Program (RHOP) for pharmacy students through Peru State College.

Mr. Dennis Berens provided a couple of handouts to the RHAC members including: an article about the Center for Telehealth & e-Health Law, which has launched a comprehensive website to address detailed legal and regulatory telehealth issues and a handout of the National Rural Health Association 2010 Legislative and Regulatory Agenda.

- Workforce 2020 Project

Roger Wells reported that the Workforce 2020 Project group has not had a formal meeting since September; however, several new initiatives have been recognized. The Nebraska Rural Health Association (NeRHA) received a grant from the Nebraska Office of Rural Health (ORH) to bring organizations together to build a healthcare workforce committee. Mr. Wells stated that the Chancellor at UNMC has gone on record supporting this initiative. A stakeholders meeting is being planned to further develop a workforce agenda.

4. State-Designation Shortage Area Requests

- Senator Kent Rogert – 50-mile radius from Lincoln & Omaha guidelines for general dentistry

Dr. Rebecca Schroeder introduced Senator Kent Rogert. Dr. Schroeder explained that at the last RHAC meeting, Senator Rogert asked the commission to reconsider the 50-mile radius for general dentistry around Lincoln and Omaha. Dr. Schroeder stated that she did send a letter on behalf of the commission to Senator Rogert based on the commission’s discussion about the

difference between “rural” and “shortage areas.” In addition, Dr. Shawn Kralik also talked to Senator Rogert.

Marlene Janssen provided members and guests a map showing different radiuses from Lincoln and Omaha; 25-mile radius, 30-mile radius, 40-mile radius, and 50-mile radius. Ms. Janssen explained that when dentists were added to the student loan and loan repayment program, she and RHAC members worked with the Nebraska Dental Association and UNMC College of Dentistry on developing guidelines for shortage areas. At that time, it was determined dental emergencies are not the same as medical emergencies, i.e. life or death situations so the 25-mile radius used for the medical professionals was increased to 50-mile radius.

Dr. Schroeder added that, by statute, certain statistics are to be used in determining shortage areas. For example, percentage of healthcare providers nearing retirement, poverty level, inaccessibility of health care services, etc.

Senator Rogert stated that he also reviewed statistics for the area (Tekamah) and noted that they are included in guidelines set by the RHAC. The issue he is concerned with is that children without dental coverage and the elderly are not going regularly to the dentist since the local dentist retired. This, in part, is due to transportation issues. Senator Rogert reported that there are dentists interested in coming to Tekamah if they could receive loan repayment through the State’s program. However, Tekamah, even though it is a rural community is not eligible because it is within the 50-mile radius of Omaha. Senator Rogert did stated that he understands that state funds are limited and recognizes that the RHAC has to make some tough decisions but suggested that these decisions be made on a case by case basis for each rural community.

Dr. Schroeder thanked Senator Rogert for coming and for his comments.

- Hall County – General Internal Medicine

Marlene Janssen reported that Hall County has submitted a request to be designated as a state designated, general internal medicine shortage area. Ms. Janssen stated that Hall County does meet the criteria and that the physician full-time equivalency count was confirmed by the UNMC, Health Professions Tracking Services.

- Good Neighbor Community Health Center (Columbus) – Family Practice & General Dentistry

Marlene Janssen reported that Good Neighbor Community Health Center (CHC) in Columbus had submitted a request for designation as a state-designated shortage area for family practice and general dentistry in June; however, this request did not get to the RHAC for the June meeting. Ms. Janssen stated that Good Neighbor CHC is a federally designated CHC and qualifies for the state shortage area designations.

Dr. Scot Adams moved to approve Hall County as a state-designated general internal medicine shortage area and Good Neighbor Community Health Center as a state-designated shortage area

for family practice and general dentistry. Sharon Vandegrift seconded the motion. Motion carried. YES: Adams, Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Dilly, Miller, and Sitorius.

5. Program 175 – Rural Incentive Programs

- Loan Repayment Update

Marlene Janssen reported that all the loan repayment applicants approved and eligible from the September RHAC meeting have received their contracts.

- Review Current Budget

Marlene Janssen provided an analysis of the student loan cash fund “spend down” required by the Legislature. Based on estimates of current student loan defaults (revenue) and obligated cash funds, the *student loan cash balance* at the end of FY2010-11 will be around \$690,000. Ms. Janssen explained that this includes the \$250,000 of Merck funds to be used in FY2011-12. This means that there will be about \$440,000 in the student loan cash fund that is from student loan defaults and interest revenue.

Ms. Janssen then explained that there is also \$1.4M in the *loan repayment cash fund*, of which approximately \$800,000 is the local match funds for FY2010-11. The remaining balance is from loan repayment defaults, UNMC Rural Health Opportunities Program (RHOP) student loan collections, and interest revenue.

According to Ms. Janssen, if the RHAC approves the one loan repayment application eligible to begin in FY2010-11, there will be about \$123,000 in cash spending authority left for FY2010-11. Ms. Janssen also pointed out that general funds have been obligated for this fiscal year so any new loan repayment applications that are approved will use cash funds for the state match. Only half of the \$123,000 in cash spending authority is left for the state match for loan repayment. The other half must be used for the local match.

- Accounts Receivable Report

Marlene Janssen reported on the following student loans and loan repayment buyouts and defaults:

Student Loan Update (Contract Buyout and Defaults)

Rachel Blake, M.D. – current

Cari (Brunner) Sughrue – 3rd past due notice sent, will forward to Legal for collection

Mary Metschke, D.D.S. – current

Nicole Mitchell, M.D. – current on settlement agreement payments

Carrie Ramsey, PA – current

Les Veskrna, MD – current

Nick Woodward, DDS Ped – current

Loan Repayment (Defaults – left shortage area for non-shortage area)

Manda Clarke, APRN – current
Michelle Dickes, OT – one month behind due to incorrect check
Kelley Hanau, APRN – current
Joseph Kezeor, M.D. – first payment due January 1, 2011
Richard Michael, MD – current
Lisa Stenvers, P.A. – PAID IN FULL
Amanda Whitenack, APRN – first payment due February 1, 2011

6. CLOSED SESSION

- Review Loan Repayment Applications

Dr. Mark Goodman moved to go to closed session at 3:03 p.m. to discuss loan repayment applications. Sharon Vandegrift seconded the motion. Motion carried. YES: Adams, Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Dilly, Miller, and Sitorius.

Dr. Rebecca Schroeder announced that the RHAC would go to closed session at 3:03 p.m. to discuss loan repayment applications and asked nonessential staff and guests to please leave the room for about 5 minutes.

Dr. Scot Adams and Roger Wells left the room at 3:03 p.m.

Roger Wells returned at 3:05 p.m.

7. OPEN SESSION – Motions on Closed Session Discussions

Dr. Mark Goodman moved to return to open session at 3:09 p.m. Roger Wells seconded motion. Motion carried. YES: Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Adams, Dilly, Miller, and Sitorius.

Marty Fattig moved to approve Holly Portwood, D.D.S. (Pediatric) for loan repayment beginning November 1, 2010. Roger Wells seconded motion. Motion carried. YES: Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Adams, Dilly, Miller, and Sitorius.

Dr. Shawn Kralik moved to place Dr. Erin Pierce's loan repayment application on the waiting list because she will not begin practice in the shortage area until around July 1, 2011. Roger Wells seconded motion. Motion carried. YES: Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Adams, Dilly, Miller, and Sitorius.

Dr. Don Frey, Creighton Medical Center, former Rural Health Advisory Commission member and guest arrived at 3:20 p.m.

8. Other Business

- Annual Report

Marlene Janssen stated that the annual report on Program 175, the rural incentive programs will be completed around mid-December. Ms. Janssen asked the Rural Health Advisory Commission for a motion on the approval process and distribution of the annual report.

Dr. Mark Goodman moved to have Marlene Janssen email a draft of the annual report to RHAC members for approval; if there are no concerns then Dr. Schroeder will sign a cover letter to distribute the annual report to the Legislature, Governor, and DHHS Directors. Sharon Vandegrift seconded motion. Motion carried. YES: Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Adams, Dilly, Miller, and Sitorius.

- Primary Care Office Report

Tom Rauner gave a report on the activities of the Primary Care Office. Changes to the National Health Service Corps (NHSC):

- The NHSC raised the amount from \$50,000 to \$60,000 for a two-year loan repayment commitment starting in FY2011.
- The loan repayment program will have a part-time option (20 hours per week) with double the practice obligation.
- The FY2011 NHSC loan repayment application process is anticipated to open by December 2010.

There are currently 50 NHSC providers in Nebraska under practice obligations:

- 4 approved prior to FY2008 and receiving annual contract extensions for loan repayment
- 20 approved during FY2009; 3 of those originally applied for the Nebraska Loan Repayment Program but switched to NHSC.
- 26 approved during FY2010 and there are approximately 21 additional carryover applicants likely to receive loan repayment and an additional 8 who must reapply.

Nebraska currently has 86 approved NHSC sites. There are 56 of the 132 Medicare Certified Rural Health Clinics (CRHC) which have a federal Health Professional Shortage Area (HPSA) designation. (31 of the 56 CRHC designations occurred in the past 18 months.)

- Other

Dr. Schroeder asked if there was any other business to be brought before the RHAC. Hearing none, Dr. Schroeder asked for a motion to adjourn.

9. Adjourn

Dr. Mark Goodman moved to adjourn at 3:29 p.m. No second necessary. Motion carried. YES: Boswell, Fattig, Frey, Goodman, Kralik, Rogers, Vandegrift, and Wells; NO: None; Absent: Adams, Dilly, Miller, and Sitorius.